

# ELLORA PAPER MILLS LIMITED



**30th Annual Report  
2004 - 2005**

By Order of the Board  
For Ellora Paper Mills Limited

Sudhir Goenka  
Executive Director

Nagpur  
16<sup>th</sup> May, 2005

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The register of members of the Company will remain closed from 15.09.2005 to 16.09.2005.
3. The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of business under item No. 4 is annexed hereto.
4. Members are requested to notify immediately the change, if any, in their registered address.
5. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

**ANNEXURE TO THE NOTICE**  
**Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956**

As required by Section 173(2) of the Companies Act 1956, the following Explanatory statement sets out all material facts relating to the business mentioned under item Number 4 of the accompanying notice dated 16<sup>th</sup> May 2005.

**Item No. 4**

In terms of Section 224A of the Companies Act, 1956, in case of a Company in which not less than twenty five percent of the subscribed share capital is held (whether singly or in any combination) by the Public Financial Institutions or Banks, the appointment of Auditors at each Annual General Meeting shall be made by Special Resolution. The Shareholdings of Industrial Development Bank of India, Industrial Credit and Investment Corporation of India Limited, Industrial Finance Corporation of India Limited, Bharat Overseas Bank Limited and United Bank of India in the subscribed share capital of the Company exceed twenty-five percent. Accordingly, a Special Resolution for the appointment of M/s Bhattad Rathi & Co., Chartered Accountants, as Auditors of the Company has been proposed. None of the directors of the Company are interested in the resolution, except to the extent of their respective shareholdings as share holders of the Company.

By Order of the Board  
For Ellora Paper Mills Limited

Nagpur

Sudhir Goenka  
Executive Director

## NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of Ellora Paper Mills Limited will be held on Friday, the 16<sup>th</sup> September, 2005 at 3.00 p.m. at 379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur- 440 012, to transact the following business :

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2005 and the Balance Sheet as at that date together with reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. V. Dixit, who retires by rotation and is eligible for reappointment.
3. To appoint a director in place of Mr. Sandeep Goenka, who retires by rotation and is eligible for reappointment.
4. To appoint Auditors and fix their remuneration :  
To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:  
"RESOLVED that M/s. Bhattad Rathi & Company, Chartered Accountants, Nagpur, be and are hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors."

## ELLORA PAPER MILLS LIMITED



### BOARD OF DIRECTORS

Shri V. Dixit	:	Chairman
Shri C. P. Goenka	:	Managing Director
Shri Sudhir Goenka	:	Executive Director
Shri Sunil Goenka		
Shri Sandeep Goenka		

### CHIEF EXECUTIVE

Dr. Sreehari Chava

### AUDITORS

Bhattad Rathi & Co.  
Chartered Accountants

### BANKERS

State Bank of India

### REGISTERED OFFICE

379, Pandit Jawaharlal Nehru Marg  
Ashoka Vault Building, Sitabuldi  
Nagpur - 440 012

### FACTORY

Village : Dewada Khurd, Tumsar  
Dist. Bhandara; State : Maharashtra  
Pin : 441912

**ELLORA PAPER MILLS LIMITED****REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS****1. Presentation**

Your directors have pleasure in presenting the Annual Report for 2004-05 together with the Audited Accounts for the year ended on 31st March, 2005.

**2. Financial Results**

The financial results of the operations for the year under review are as follows:

	<b>Rs. in lakhs</b>	
<b>Particulars</b>	<b>2004-05</b>	<b>2003-04</b>
Sales	3734.95	3542.92
Profit Before Interest Depreciation and Tax	262.87	229.30
Less : Interest	66.77	57.50
Depreciation	60.68	52.30
Profit Before Tax	135.42	119.50
Less : Provision for Taxation - Current	11.00	9.00
Profit After Tax	124.42	110.50
Deduct : Deferred Tax Liability	60.81	34.19
Add / (Deduct) : Prior Period Adjustments	10.90	(6.73)
Add : Profit brought forward from previous year	433.46	363.88
Profit carried forward to Balance Sheet	507.97	433.46

**3. Operations**

The Profit after Tax (Current) has increased to Rs.124.42 lakhs in 2004-05 from Rs.110.50 lakhs in 2003-04. The Company is able to maintain similar trend of performance during the current year too.

**4. Modernisation cum Expansion**

Your Company launched a Rs. Nine Crore modernization cum expansion plan in the year 1998-99 with a view to achieve the dual impact of cost reduction and quality improvement. The Company, with this investment, has accomplished technological improvement by adoption of latest Japanese technology to manufacture superior grade of writing and printing paper. It has also installed EDP based Energy Savings & Quality Control Systems. The cogeneration plant of 1.5MW has become operational during the year.

**5. Fixed Deposits**

The Company has accepted fixed deposits from the public during the year ended on 31<sup>st</sup> March 2005 and complied with the relevant provisions of the Company Law.

**6. Safety and pollution Control**

The Company continues to give top priority to safety and pollution control aspects. It has strictly been following the requisite guidelines as received from Pollution Control Board from time to time.

**7. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo**

Information in accordance with the provisions of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo is given in "Annexure A" forming part of this Report.

**8. Particulars of Employees**

The Company has no employees covered under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**ELLORA PAPER MILLS LIMITED****9. Directors' Responsibility Statement**

The Directors affirm (a) that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; (b) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period; (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and (d) that the directors have prepared the annual accounts on a going concern basis.

**10. Directors**

Mr. V. Dixit and Mr. Sandeep Goenka retire by rotation and being eligible offer themselves for reappointment.

**11. Auditors**

Members are requested to appoint auditors for the current year and fix their remuneration. The retiring auditors M/s Bhattad Rathi & Co., Chartered Accountants, are eligible for reappointment. As required under section 224 of the Companies Act, 1956, certificate has been received from M/s Bhattad Rathi & Co., to the effect that their appointment, if made will be in accordance with the limits specified in section 224 (1B) of the Companies Act, 1956. As required under section 224 A of the Companies Act, 1956, a Special resolution is being placed for consideration of the members for their appointment.

**12. Cost Audit**

The Cost Audit of the Cost Accounts of the Company for the year ended on 31<sup>st</sup> March, 2005 is being carried out by M/S G.R.Paliwal & Co, Cost Accountants, Nagpur. They will be submitting their report on completion of the audit to the Company Law Board as required under the relevant rules.

**13. Listing of Shares**

The Equity Shares of the Company are listed on The Stock Exchange, Mumbai.

**14. Secretarial Compliance Certificate**

Pursuant to section 383A of the Companies Act, 1956, a secretarial compliance certificate is furnished as "Annexure B" forming part of this Report.

**15. Acknowledgements**

Your Directors express their gratitude to the Government of India, Government of Maharashtra, Bankers and Valued Customers for their continuing goodwill and support to the Company.

Your Directors wish to place on record their deep appreciation for the dedication and loyalty shown by the officers, staff members and workers of the Company. Your Directors sincerely acknowledge the continued trust and confidence you, the shareholders, have placed in the Company.

For and on behalf of the Board

Nagpur  
16<sup>th</sup> May, 2005

**V. Dixit**  
Chairman

**ELLORA PAPER MILLS LIMITED****ANNEXURE 'A' TO THE DIRECTORS' REPORT**

Information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

**I CONSERVATION OF ENERGY:**

(a) Energy Conservation Measures taken : and

(b) Additional investments and proposals for reduction of conservation of energy : }

Cogeneration Plant at a cost of 2.50 crores has been installed.

(c) Impact of measures taken at (a) &amp; (b) : Overall savings in the cost of production by at least by five per cent

(d) Energy consumption in total and per unit of production in form "A".

**FORM - A**

Form for disclosure of particulars with respect to conservation of energy

		2004-2005	2003-2004
<b>(A) Power and Fuel Consumption</b>			
1 Electricity			
a. Purchased Units	KWH	7605284	9818159
Total Cost	Rs.in Lacs	253.23	335.06
Rate / Unit	Rs./KWH	3.33	3.41
b. Own Generation		NIL	NIL
2 Coal			
(Grade B,C or ROM depending upon availability)			
Quantity	M.T.	1453	646
Total Cost	Rs.in Lacs	34.40	11.26
Average Rate	Rs./MT	2269	1743
3 Furnace Oil		NIL	NIL
4 Others / Internal Generation			
Rice Husk			
Quantity	M.T.	12374	7704
Total Cost	Rs.in Lacs	80.43	40.07
Average Rate	Rs./MT	647	520
<b>(B) Consumption per unit of production - Paper (M.T.)</b>			
Particulars	Unit	2004-2005	2003-2004
Electricity	KWH	703	919
Furnace Oil	M.T.	NIL	NIL
Coal	M.T.	0.14	0.06
Rice Husk	M.T.	1.15	0.72

**II TECHNOLOGY ABSORPTION**

a. Research &amp; Development (R &amp; D)

The Company has no separate R &amp; D Department

b. Absorption of Technology

The Company has not imported any technology

**III FOREIGN EXCHANGE EARNING AND OUTGO (Rs.in Lacs)**

a. Foreign Exchange Earnings

2004-2005

151.89

2003-2004

41.97

b. Foreign Exchange Outgo

479.19

226.30

For and on behalf of the Board

Nagpur  
16<sup>th</sup> May, 2005V. Dixit  
Chairman